

Victory Health Plans, Inc.

(formerly Vanderbilt Health Plans, Inc.)

STATISTICS	Year Ending 12/31/98	Year Ending 12/31/99	Year Ending 12/31/00	Year Ending 12/31/01
TennCare Enrollees at the beginning of the year	11,887	11,587	12,353	13,507
TennCare Enrollees at the end of the year	11,587	12,353	13,507	35,711
Avg. TennCare Enrollees	11,737	11,970	12,930	24,609
Number of grievances	280	None reported	None reported	805
Number of malpractice claims	0	0	0	0
Number of years in existence	5	6	7	8
CSA Regions served	Davidson County	Davidson County	Davidson County	Davidson County

Certification/Accreditation

FINANCIAL HIGHLIGHTS

ASSETS	\$10,297,798	\$11,731,520	\$12,192,569	\$11,245,224
LIABILITIES	\$4,648,438	\$4,364,524	\$6,302,904	\$4,865,825
TOTAL NET WORTH	\$5,649,360	\$7,366,996	\$5,889,665	\$6,379,399
NET WORTH REQUIREMENT	\$1,500,000	\$1,500,000	\$1,500,000	\$1,840,000*
NET INCOME FROM TENNCARE OPERATIONS	(\$191,520)	\$1,289,158	\$1,854,892	\$341,009
NET INCOME FROM OTHER SOURCES	(\$25,503,050)	(\$12,801,208)	(\$14,378,142)	
TOTAL NET INCOME	(\$25,694,570)	(11,512,050)	(\$12,523,252)	\$341,009
MEDICAL AND HOSPITAL EXPENSES FOR TENNCARE OPERATIONS	\$15,703,443	\$17,850,483	\$18,965,817	\$39,014,849
OTHER MEDICAL AND HOSPITAL EXPENSES				
TOTAL MEDICAL AND HOSPITAL EXPENSES	\$15,703,443	\$17,850,483	\$18,965,817	\$39,014,849
TENNCARE REVENUE	\$18,199,607	\$22,484,209	\$23,570,091	\$45,750,577
OTHER REVENUE	(\$25,503,047)	(\$12,801,208)	(\$14,378,142)	
TOTAL REVENUE	(\$7,303,440)	\$9,683,001	\$9,191,949	\$45,750,577
ADMINISTRATIVE EXPENSE FOR TENNCARE OPERATIONS	\$2,687,684	\$3,344,568	\$2,749,382	\$6,301,712
OTHER ADMIN EXPENSE	\$3			
TOTAL ADMIN EXPENSE	\$2,687,687	\$3,344,568	\$2,746,382	\$6,301,712

FEDERAL TAX EXPENSE				\$93,007
RATIO OF TENNCARE MEDICAL EXPENSE TO TENNCARE REVENUE	86%	79%	80%	85%
RATIO OF TENNCARE ADMINISTRATIVE EXPENSE TO TENNCARE REVENUE	15%	15%	12%	14%
RATIO OF OTHER MEDICAL EXPENSE TO OTHER REVENUE	N/A	N/A	N/A	N/A
RATIO OF OTHER ADMINISTRATIVE EXPENSE TO OTHER REVENUE	N/A	N/A	N/A	N/A

Amendment #1
received 3/22/02

*Net worth requirement was increased to reflect anticipated increases in revenue due to increased enrollment.

Note: This information was compiled from unaudited NAIC filings and other unaudited sources.